



Department of Justice

FOR IMMEDIATE RELEASE
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NEW YORK DAIRY COMPANY INDICTED IN MILK BID-RIGGING CONSPIRACY

WASHINGTON, D.C. -- A western New York dairy company today was charged with participating in a conspiracy to rig the price of milk and related products sold to school districts, prisons and psychiatric facilities under an indictment announced by the Department of Justice's Antitrust Division.

The one-count felony indictment, filed in U.S. District Court in Rochester, New York, against Charlap's Dairy, of Hamburg, New York, was the 130th criminal case filed since May 1988 as part of an ongoing federal investigation of collusion in the dairy industry.

The Department said that Charlap's and others conspired to rig bids, allocate contracts and refrain from bidding competitively against one another to supply milk and related products to school districts and state institutions in violation of the Sherman Act. The conspiracy began sometime prior to the mid-1980s and continued until at least mid-1992, the Department said.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said the charges arose in connection with a grand jury investigation in western New York into collusive practices by dairy products suppliers.

The investigation was conducted by the Division's New York Field Office, the Federal Bureau of Investigation, and the Antitrust Bureau of the New York State Attorney General's

(MORE)

Office.

To date, 66 corporations and 59 individuals have been convicted and a total of approximately \$59 million in fines imposed in cases involving the supply of dairy products to public school districts. Some 29 individuals have been sentenced to serve an average of approximately seven months imprisonment. Sixteen grand juries in 12 states continue to investigate the milk industry.

The maximum penalty for a corporation convicted under the Sherman Act for a violation occurring after November 16, 1990, is a fine not to exceed the greatest of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

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